

ASSEMBLY BILL

No. 1175

Introduced by Assembly Member Bocanegra

February 22, 2013

An act to amend Section 22875.5 of the Government Code, relating to public employee benefits.

LEGISLATIVE COUNSEL'S DIGEST

AB 1175, as introduced, Bocanegra. Public employee benefits: postemployment health care.

The Public Employees' Medical and Hospital Care Act (PEMHCA), which is administered by the Board of Administration of the Public Employees' Retirement System, establishes provisions governing postemployment health care benefits for members and their families that vest upon meeting certain requirements. Existing law also establishes various postemployment health care benefits under other benefit systems, including those offered by counties, districts, and cities.

The PEMHCA prohibits compensated service rendered by personnel related to a function that has been assumed by the state from a public agency from being considered state service for purposes of these vesting requirements, unless specified conditions are met.

This bill would make technical, nonsubstantive changes to these provisions.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 22875.5 of the Government Code is
2 amended to read:

3 22875.5. (a) If the state has assumed from a public agency a
4 function and the related personnel, service rendered by that
5 personnel for compensation as employees or appointed or elective
6 officers of that public agency may not be credited as state service
7 for the purposes of Section 22874 or 22875, unless both of the
8 following apply:

9 (1) The former employer has paid or agreed to pay the state the
10 amount actuarially determined to equal the cost for any employee
11 health benefits that were vested at the time that the function and
12 the related personnel were assumed by the state.

13 (2) The Department of Finance finds that the contract contains
14 a benefit factor *that is* sufficient to reimburse the state for the
15 amount necessary to fully compensate for the postretirement health
16 benefit costs of those personnel.

17 (b) For *a* noncontracting public~~—agencies~~ *agency*, the state
18 agency that has assumed the function shall certify the completed
19 years of public agency service to be credited to the employee as
20 state service credit under Section 22874 or 22875.